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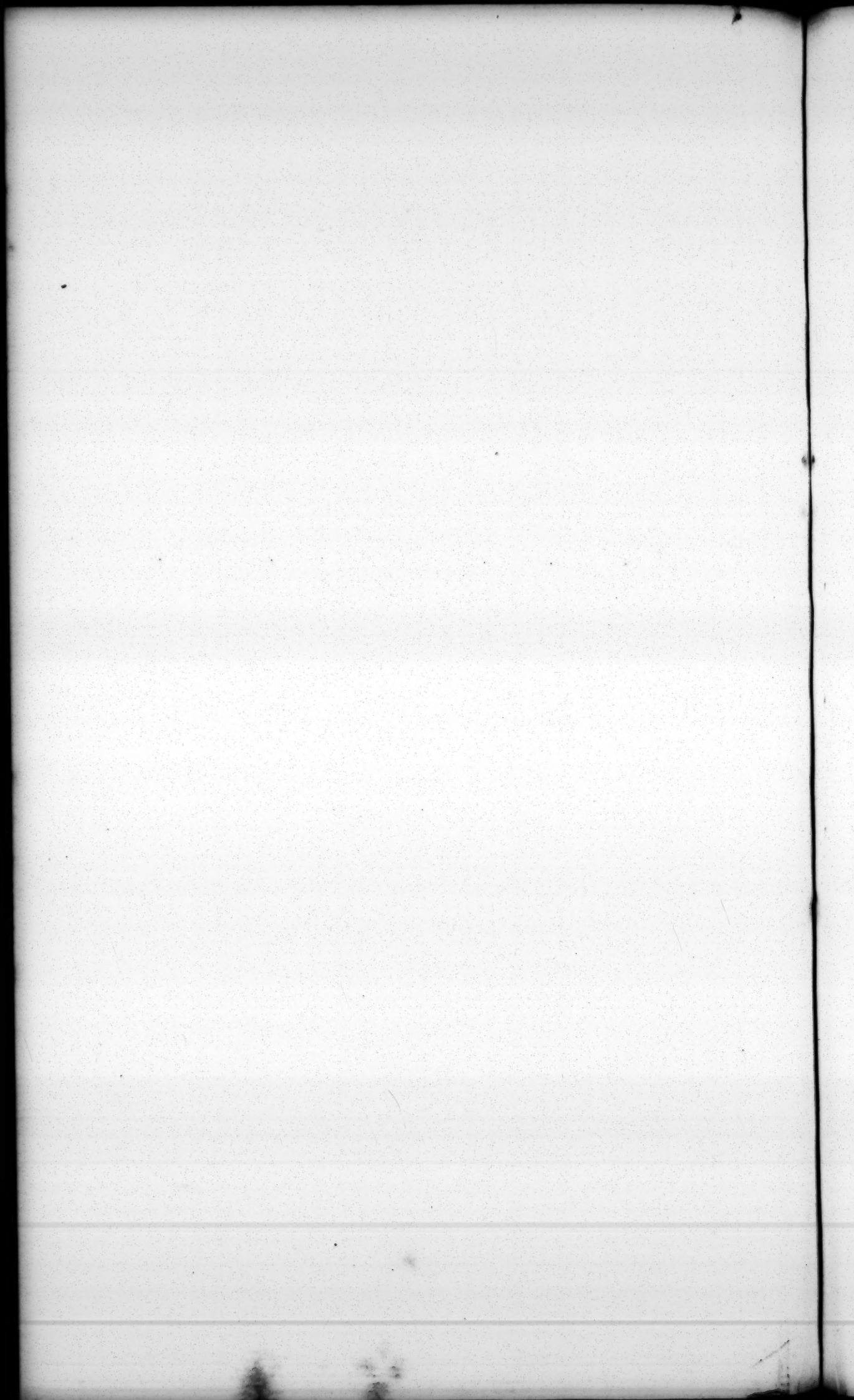
THIRD LETTER

TO

THE RIGHT HONOURABLE

WILLIAM PITT,

CHANCELLOR OF THE EXCHEQUER.



A
THIRD LETTER

TO

THE RIGHT HONOURABLE

WILLIAM PITT,

CHANCELLOR OF THE EXCHEQUER,

ON

THE STATE OF THE NATION,

AND THE

PROSECUTION OF THE WAR.

BY

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LONDON:

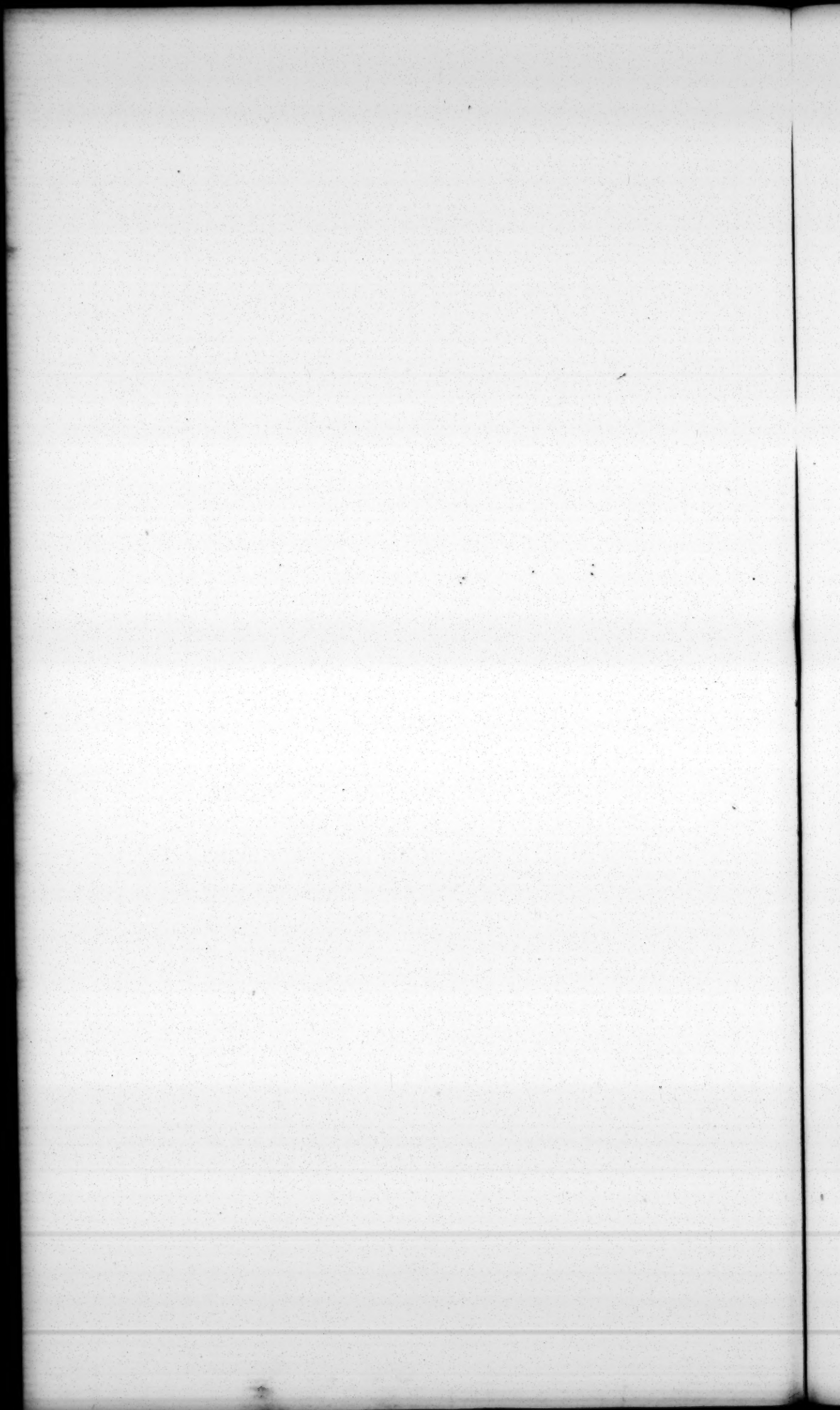
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M.DCC.XCVII.



TO THE
RIGHT HONOURABLE
W I L L I A M. P I T T,
CHANCELLOR OF THE EXCHEQUER.

SIR,

YOU are a statesman: I a politician. The characters of *statesman* and *politician* may of necessity be somewhat different; though, when times are critical, they should be the same: for, if the state be in danger, it is only to be saved upon the principles of sound unfettered polity. The politician is led on by enlarged and impartial views to the public-safety, and to the public-good, with a judgment free and unconfined. The statesman is often cramped in his exertions for the public-good, by the prevalence of popular habit which he cannot easily overcome, by public sentiment which he cannot prudently resist, and by the circumstances of the times which he cannot change. In the execution of his high office, he has many difficulties to encounter, which the politician does not see, and many obstacles to remove, of which the politician is not aware. In presiding at the helm of government with success, he is sometimes obliged

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to steer on the side of public opinion, more than on that of his own private judgment: and he may congratulate himself and the nation which he serves, when, by such a conduct, he has brought over the public opinion to his own private judgment.

France and England stand recorded in history, as great rival nations. The wars that have been declared, and the peaces that have been made between them, form a prominent part of the history of Europe: whilst they continued flourishing together as two mighty kingdoms, standing in a high political relation towards each other, and holding between them the balance of power, by which all Europe was kept in salutary awe and subject to the beneficial law of nations. At length this high relation, so necessary to the peace and happiness of the world, is dissolved by an amazing change in the fortunes of France, by which its ancient government is totally destroyed, and succeeded by a series of usurpations and dominations, actuated by the same desolating spirit, which has laid in ruins that ancient kingdom, and which threatens the same ruin to all the governments in Europe.

It was consequently the wise policy of these governments to join together, in opposing a new system founded on principles destructive of their peace and of their existence, and to invite Great Britain into the combination. But (strange to tell, and not more strange than true!) that self-interest

interest which characterizes the present age, or that weak policy which disgraces it, has defeated that well-concerted measure, and dissolved the combination by a perfidious desertion of the common cause, in the act of submitting to a separate and inglorious peace tantamount to subjugation; and left Great Britain to stand alone: but not left her, I hope, to follow the example of the other combining powers; but to remain firm to her own government, to her King and Constitution, and, however deserted, to make a glorious and successful stand in defence of the liberties and happiness of Europe.

Whilst France continues under the dominion of that spirit, which had been long rankling in her bosom, and which at last broke out in a devouring flame, the avowed enemy of all government and social order, and of every institution, moral, political, and religious: with France Great Britain can have no peace. Between the two nations there exists at present no relation, unless it be that which exists between the wolf and the lamb; for the present constitution of France is to destroy the constitution of Britain. And in one thing, but in one thing only do I concur with the avowed sentiment and open declaration of our enemies—That the present British government, and the present French republic cannot coexist.

To the eye of the politician this was always clear. One, who is lately dead, whose loss every true Briton should deplore, whose foresight as a politician bordered upon prophecy, always thought

so ; and there are others living who always thought the same : and the event has proved the justice of the thought. Deserted, however, as we have been by the powers who called us to the war as to a common cause, and who have ingloriously succumbed in a separate peace ; and under the load of a vast expenditure which the nation has incurred, it might be prudent in the eye of the statesman to justify his publick conduct to the nation, and the pacific disposition of that nation to the world at large, by availing himself of an apparent change in the spirit and principles of the enemy, in the hope of negotiating for a safe and honourable peace. And it was certainly wise, in case of failure, to take this method of convincing the whole nation beyond all doubt, that, from the inveterate malice, the uncurbed ambition, and the intolerant pride, of the enemy, peace is impossible to be obtained, by putting the matter fully and patiently to the test. And, Sir, happy it is for these kingdoms, that the result of the negociation has brought this lamentable truth to light : for ruinous might it have been, if the truth had lain concealed, and we had been induced to proclaim “ peace where there is no peace,” but war, the most dangerous war, sleeping in the ashes of a seeming peace.

He is a dragon : kill him or he'll kill you. The spirit of liberty and equality, that has reared its head in France, must first be vanquished before the two countries can return to that political relation, out of which Peace with her halcyon wings can spring. Between Great Britain and France, peace is
become

become a word that has lost its meaning, and on our part would be synonymous with defeat and subjugation—to become a province of France, wasted and involved in all its wretchedness.

Such, Sir, is the political situation of this country ; a situation in which Great Britain, in all the vicissitudes of her fortune, or in all the annals of her history, was never placed before. Out of the gloomy prospect, however, with which we are surrounded, one ray of bright hope shoots forth, springing from an universal conviction of the lamented truth : from which conviction the public spirit of the whole nation is awakened out of that inactivity and supineness attendant on prosperity, and, from which conviction, it is willing to meet the danger which threatens its existence with the unshaken fortitude of Britons : which is at once an omen and a pledge, that Great Britain will overcome.

For Peace we are now only to look to the extremity of war. And in this case it is incumbent on the Statesman and Politician to review *The State of the Nation*, and to reconnoitre the *Means* she possesses necessary to maintain that war, to levy them to the best advantage, and to give them the utmost vigour, activity, and effect.

The immediate means are well-appointed *Fleets*, and well-disciplined *Armies* ; in both which, as they exist at this moment, the nation may proudly glory.

The next means are the *Supplies* of every sort necessary to maintain these fleets and armies; for which the nation is provided with vast and ample *Resources*, a subject upon which I have dwelt in my first letter, and need not now repeat.

And the next are the means by which the supplies are to be raised out of the resources, and put in action to the effectual support of the fleets and armies. And here it is that *Money* is said to be the sinew of war, which, though but an instrument itself, is the necessary and indispensable means of levying the supplies upon the people, and applying them to the purposes of war: insomuch, that in the language of financing, *money* and *supplies* are become equivalent terms.

Thus we have fleets and armies enough, we have resources enough, and we have resolution enough, we have unanimity enough, we have heroism enough,—money is the great desideratum. Whoever doubts the truth of this, let him ask himself the following question. We have hitherto been greatly an overmatch for the enemy by sea, which is our element, as well as by land; and, is there at present within the nation or within its reach a sufficiency of provisions, of clothing, of arms, of ammunition, and of every other requisite to continue the support of the fleets and armies, if they could be easily and effectually supplied? This plain question, if he be a fair and intelligent man, he will readily answer in the affirmative. And it is an important question; for, upon the answer, another will arise of equal importance. At a time when the national

tional safety and its political existence are at stake, should not all these requisites, in the utmost prudence, be thus supplied? In the answer to this plain question I hope that I am anticipated by every man in England—By all means, and at all events. What then are the necessary means by which these requisites of war are to be raised and effectually supplied? for without some means, if they were tenfold in abundance, they could not supply themselves. If there were ten times the corn, the farmers could not carry their proportion of that article from all parts of the nation themselves to the army and navy. And so of every other article. This can only be done by money of one sort or another, the necessary means of supply, as indispensable as the supplies themselves; and the more plentiful the means, the more easily the supplies are raised: for, as all taxes which furnish the supplies are levied and to be paid in money, however abundant the real property of the nation may be, the taxes cannot be paid without money, with which it is the duty of the financier to see the public sufficiently provided.

I state these plain things, in order to put the vast importance of money to the maintenance and the success of war in the strongest light I can; and particularly to shew, that plenty of money in the nation will always facilitate the levy of supplies.

Thus, Sir, in my political judgment, *plenty of money*, in the present state of the nation, is the only thing she wants towards the successful prosecution of this inevitable war.

Still, money, however indispensable to the end, being only an instrument or secondary means, whilst our armies by sea and land are all-sufficient, our resources abundant, and the supplies themselves renewed, whatever enormous sums have been already spent I do not so much regard.

In my former letters I endeavoured to explain the true nature of money, with its value in relation to other things and its operation as a medium of change. And, though much has been already spent, it is not as a thing consumed or lost to the nation. All that was spent at home, whilst the resources last, is ready to be spent again; and what was spent abroad will return in time to be employed anew.

This necessary war, though prosecuted with spirit, will, I hope, be conducted with rigid economy, and become less expensive than it has hitherto been; and the money it requires will be mainly spent at home. Still, in this vast mercantile and agricultural country, and in such a war, more money is now wanted than ever was before in any period of its history. The addition of one third to its present currency would have such a salutary operation, as to dispel all the difficulties that brood over our political horizon, and soon retort all the danger we apprehend upon the heads of our furious and implacable enemies.

Under this conviction, I lament the defect of the national *coinage*, which, if I am well-informed, is under the conduct of the Bank of England, and
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which, except the stamp-duty upon its notes, is the only expence laid upon that corporation for the vast profits attendant upon a most valuable exclusive privilege. And the negotiable *credit* of the nation, which is of more extensive operation in currency than the coin, is left to stand principally upon the contracted basis of this single company. These are two great national evils, which check the growing prosperity of this country, at all times, and are among the principal causes of the difficulties with which it is now beset.

Such, Sir, is my political view of the necessity of the war, and of *the State of the Nation*, both in regard to the *means* it possesses of carrying it on, and in regard to the *instrument* by which these means are necessarily to be employed.

But, so totally *new* is the spirit of the enemy, and so totally *singular* the nature of the war, and so *extraordinary* has been the conduct of the powers that combined against that enemy; that there is no wonder that *new*, *singular*, and *extraordinary* measures and expedients should be indispensable to *the Prosecution of the War*.

Our battles have been fought and all most gloriously won by the unparalleled skill and invincible courage of our fleets and armies: but the public expenditure, which has maintained these fleets and armies for five successive years, together with furnishing our faithless or weak allies with loans and subsidies, has been so great in so short a time, that
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the usual expedient of furnishing the supplies of the year by a public loan, has so far overrun all bounds, that it is become necessary to have recourse to some other scheme of finance untried before. The case is, that the taxes which pay the interest of these loans have fallen so heavily and so rapidly upon the lower classes of the people, that they have not recovered sufficient strength to bear the burden, at present, of any more.

Still our armies are in vigour, and our resources in abundance ; and the more opulent classes of the community are able, and ought to be willing, to put them both in action. The difficulty lies in adopting a fair and equal method of taxation, proportionate to the degrees of opulence and ability. And here, Sir, is ample scope for the abilities of a financier. Much of the difficulty consists in the novelty of a thing that has hitherto been untried. It must, however, be tried : and, Sir, I think, you have ability and perseverance enough to succeed in the new and arduous undertaking. But, Sir, you will find not a little of the difficulty to consist in the want of money in the kingdom.

As to the new scheme of finance, the outlines of which have been submitted to the consideration of Parliament and of the public, with that diffidence and desire of elucidation, which a scheme of such magnitude, as well as novelty, requires ; whatever credit must be allowed the projector for the ingenuity of contrivance in framing it upon the assessed taxes, as upon a plan of finance which
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has been already proved, and upon which a calculation can be formed; however much the propriety of the measure, in relieving the lower and poorer classes of the people, and in laying the burden upon the higher in a just gradation proportionate to their wealth, is to be admired; and however the delicacy with which all this is intended to be done, without exposing the circumstances of individuals to public view, deserves applause: notwithstanding my hearty approbation of the ingenuity, the propriety, and the delicacy of the whole scheme; I fear, Sir, I greatly fear, it will not answer the expectations of the projector in the first place; and that it is inadequate to the urgency of the occasion in the second.

The assessed taxes are a very partial and imperfect criterion by which to judge of the relative opulence of individuals, and upon which a scheme of large revenue is to be framed. It will not, I fear, "regulate," as you expect, "the proportions of wealth, circumstance and situation, with fair and equal justice." They have also been much evaded in many parts of the kingdom; which will produce the same evasion in the new tax: and they have been very unequally levied, in respect of the property of individuals, throughout the whole; which will continue that inequality through the whole of the adopted scheme.

And the criterion will, I fear, be found in practice not only radically imperfect; but the scheme of finance framed upon it will, I also fear, be too complex in its system, too confused in its operation, embarrassed

embarrassed with doubts, and perplexed with difficulties: though I heartily wish my fears may be ill-grounded; as the whole plan is founded on a principle so benevolent to the poor, by discharging them entirely from the new burden; and so excellent in its modifications, by which all the inferior and middle classes of tradesmen and manufacturers, who contribute so much to the prosperity of the country, are so feelingly considered, and intended to be so gradually relieved. That the whole line of your conduct as a financier has been more uniformly and strongly marked by this piece of political wisdom than that of your predecessors, is a truth, which none of your adversaries, if they be fair men, can deny.

The measure is, however, inadequate to the emergency, and to the contest in which the country is engaged: which is my great objection. It is too delicate and too diffident for the present times, which require more strong and effective measures. Notwithstanding all retrenchment that can be made, and all economy that can be practised in the public expenditure, twenty two millions, in addition to the ordinary supplies, are necessary for the expences of the ensuing year. If, in the present circumstances of the nation, contending for its constitution and political existence against a desperate and irreconcilable enemy, necessity demands that strong and vigorous exertions, and great sacrifices are to be made, as is universally allowed; why should not the nation meet boldly that necessity, and make these exertions and sacrifices sufficiently at once? However, the scheme
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of seven millions upon the assessed taxes, is to be commended for its ingenious contrivance and humane consideration; at the very time that vigorous exertions and great sacrifices are declared necessary to be made, it leaves twelve millions unprovided. It is, in my humble apprehension, every way inadequate to the present emergency, and to the successful prosecution of the war, which may probably continue more than a "twelve months longer;" whereas the inadequate provision it makes is only for one year: for it does not propose it to be repeated a second, as a means of supply, but only to be continued for a year and a quarter, in order to liquidate eight of the twelve millions to be sought elsewhere. And, in regard to the additional three millions to be borrowed of the Bank of England, this part of the provision is that which I least approve. That the Bank of England should collect and with-hold the specie of the country, deficient as it is, in order to advance three millions to the nation, is a measure against which my political judgment strongly revolts. For if the little money we have is to be locked up in the Bank of England, where is the nation to find a currency by which to raise in one year twenty two millions and a half? Thus one part of the provision is thwarted in its growth and cramped in its operation by the other; and, indeed I fear, one part of the scheme will counteract the other all through. To supply, however, at all times the more speedy and urgent calls of Government, greater and less dangerous expedients should be provided.

Imminent

Imminent dangers require effective remedies. Necessity has no law. To prevent the extreme of necessity, extreme expedients must be employed.

This country, under the auspices of a benign and friendly government, and by the active spirit, the admirable ingenuity, and the industrious application of the people, has been prosperous for many years far above the example of any other: so that the opulence of its private property is *immense*. This opulence has always been the envy, and is now become the object of France, which, after having spent its own enormous wealth, has of late existed, and can only exist, under its present rulers, by the property and plunder of other countries. We have seen with horror how it has treated those countries, which, in whatever way whether by conquest or by peace, have fallen into its power. Ours is the last and the richest prize France has to take. This she openly avows; and if she succeed against us, not only all the opulence, but all the comforts and conveniences of life are for ever gone. The fraternal embrace will embrace all. What then, in this critical contest, should this nation do? What is the great exertion worthy of Great Britain to make for the security of such a stake?—Rather than lose all, she should freely venture half. Those classes of the community at large which are placed in circumstances above a necessary or competent subsistence, and who possess the wealth of the country in different kinds and degrees of property, should make large sacrifices out of their annual income, in order to save the rest, together

gether with that constitution under whose protection their fortunes accumulated, and under which they are in future to be peaceably and comfortably enjoyed : which sacrifices should be continued and frugally submitted to, not for one year only, but till the danger be totally removed, and the whole effectually secured. For, as to the lower classes of the people, however it may be in their will, it is out of their power to do more than pay the ordinary taxes and assessments, and to maintain themselves.

Upon this principle grounded in necessity, which is liberal in its origin, and generous in its operation, I beg leave to draw the outline of a scheme of temporary finance, capable of being modified and prepared for use, simple in its form, and, if practicable, equal in its application ; without any other apology, than a hearty desire, according to my humble abilities, to serve my country.

To avoid laying any heavier pressure upon those ranks in society, whose circumstances are contracted within the limits of a necessary subsistence, and who are able to bear no heavier burden than they bear in ordinary, this scheme will attach only upon the *Clear Income* of those whose property of whatever kind is above a competency, all rents, taxes and assessments deducted : which clear income I propose to be rated and set down in different classes answering to the property of the different ranks and conditions of persons, as exemplified in the following Table.

Classes	Numbers	Income	Amount
I.	5	50,000	250,000
II.	10	40,000	400,000
III.	15	35,000	525,000
IV.	20	30,000	600,000
V.	25	25,000	625,000
VI.	30	20,000	600,000
VII.	35	19,000	665,000
VIII.	40	18,000	720,000
IX.	45	17,000	765,000
X.	50	16,000	800,000
XI.	55	15,000	825,000
XII.	60	14,000	840,000
XIII.	65	13,000	845,000
XIV.	70	12,000	840,000
XV.	75	11,000	825,000
XVI.	80	10,000	800,000
XVII.	85	9,000	765,000
XVIII.	90	8,000	720,000
XIX.	95	7,000	695,000
XX.	100	6,000	600,000
XXI.	200	5,000	1,000,000
XXII.	300	4,000	1,200,000
XXIII.	400	3,000	1,200,000
XXIV.	500	2,000	1,000,000
XXV.	1000	1,000	1,000,000
XXVI.	2000	900	1,800,000
XXVII.	3000	800	2,400,000
XXVIII.	4000	700	2,800,000
XXIX.	5000	600	3,000,000
XXX.	6000	500	3,000,000
XXXI.	7000	450	3,150,000
XXXII.	8000	400	3,200,000
XXXIII.	9000	350	3,150,000
XXXIV.	10000	300	3,000,000
XXXV.	15000	250	3,750,000
XXXVI.	20000	200	4,000,000
XXXVII.	25000	150	3,750,000
XXXVIII.	30000	100	3,000,000
XXXIX.	35000	90	3,150,000
XL.	40000	80	3,200,000
XLI.	45000	70	3,150,000
XLII.	50000	60	3,000,000
XLIII.	55000	50	2,750,000
Persons	372,450	£	74,355,000

This table, which I have here sketched out, intends to exclude all the lower orders of the people, and comprehends little more than 372,000 persons, or heads of families, possessed of clear income, however it may rise, above fifty pounds a year; which, I apprehend, is rating the number much too low; (but I only want to exemplify my idea by a scale of general calculation); and the clear income attributed to them is more than seventy four millions. Now, Sir, if, by a well-digested and well regulated tax, one *fourth* of this clear income could be levied, sixteen millions would be raised in aid of the supplies for the next year; leaving a surplus of near three millions, to relieve all the lower classes in a descending ratio, (some paying a *fifth*, some a *sixth* of their clear income, and so on), by modification and abatement, and to defray the concomitant expences.

This *Clear Income* is a criterion simple in itself and of universal comprehension: and, on weighing the present state, and all the circumstances of the nation, with the maturest judgment I am able, it appears to my mind, to be the fairest, the best, and the only great resource, out of which extraordinary supplies can be raised for the effectual prosecution of the war.

But how is this great theory of finance to be put in practice?

I am not so partial to my own inventions as to be blind to the difficulties that obstruct their execution.

cution. The great difficulty will exist in the classification of persons justly and honestly according to their clear income. But, when necessity urges, difficulties must give way. Three methods occur of accomplishing this great point: and, if this can be faithfully done, all the rest is easy.—The *oath* of every person, to be administered by commissioners in every district and place throughout the nation—Or, every person to *subscribe* his or her name in the class of clear income to which they belong. But, to avoid fraud or evasion in this great matter, the act should provide a sufficient penalty. An oath, with all honest and conscientious persons, carries its penalty in itself. But whether, upon the whole, this method would be preferable to the other, with a heavy penalty annexed upon the detection of fraud or evasion, I much doubt. The penalty should be at least the forfeiture of one half of the clear income of the person so offending—Or, the commissioners to *class the names* of persons in the table of clear income according to their station, estimation, or rank in life, and to leave it to them to disprove the statement of the income by authentic facts, or else by oath. All have a common interest at stake, equally dear to all: and it is equally the duty of all to insure that interest by true and faithful sacrifices, in proportion to the ability which they respectively possess.

As to the act of proving the exact state of every person's income by investigation, though, from the
nature

nature of some kinds of property (such as that in the funds), it might in some cases be done, yet on considering the variety, the mixture, and the different circumstances, of the property in this kingdom, it would be impracticable in the attempt, and, if it could be attempted, endless in the execution.

And, in regard to all those in the inferior walks and occupations of life, whose ability will not allow them to pay more than they do by the ordinary taxes, the assessed taxes may form a general criterion of exemption, though by no means so accurate as it should be.

When the classification is well made, if such a new system of revenue should be thought worthy of adoption, I can see no great difficulty in the further execution. It is simple in its plan, and clear in its intention, and capable of being modified at will. In the collection, it will require few new expences, few new laws, and few new officers. And, by such a scheme, I should not despair of coming much nearer the truth through all the gradations of property, and of being less liable to evasion, than by the other founded upon the assessed taxes,—points of the first importance, when a large supply is wanted by the pressing circumstances of the State.

To this scheme, however, I see objections; but against every scheme, that is bold and novel, objections will arise, which nothing but the necessity of the call can overcome; and, when necessity imperiously demands, the wisest policy is to obey her

with effect, in order to overcome her with effect. We are fighting, let us remember, not for wealth or power, but for existence.

One objection against this scheme, which does not affect the other which is founded on the assessed taxes, is the *time* and the *expence* it will require in the execution: but this, I presume, would be amply counterbalanced by its greater produce, and more certain effect.

Another objection is the *disclosure of circumstances*; against which the other scheme has provided with much delicacy. Every scheme that can be devised, may have its evil and its good: and it is the wisest policy to balance one against the other, in the act of choosing, with a steady eye to the urgency of the times. Some may think that this delicacy, respecting the disclosure of circumstances however admirable in itself, may be misplaced or carried too far; when the pressure of the times on the one hand, and its defeating a tax which would relieve that pressure on the other, are well considered. Doubtless, the disclosure of circumstances, in a mercantile country like our own, may be injurious to many, and should as much as possible be guarded against. In merchandise, however, as in all other things, honesty may be the best policy: and, by such a disclosure, many misfortunes, which involve numbers in their consequences, may be avoided.

As to the objection, that it will be a *compulsory measure*, the same objection will lie against all taxes
and

and legal imposts, even those which are laid upon the necessaries, not the superfluities and conveniences, of life. And, in regard to the observation, that this may be prevented “by voluntary un-asked contributions, prompted by the evident necessity of the circumstances in which we are placed, which will prove the best compulsion;” it is this evident necessity, which might operate as a compulsion upon some, that warrants a compulsion upon all, by way of tax, and not of contribution, which, though it may appear paradoxical, will be found in practice the most equal and the least oppressive measure. As to voluntary contributions in times of necessity, it is a dangerous uncertain measure, vague, capricious, and oppressive, which will pinch only the just and honest subject, and let the disaffected go free. And, as to the objection, that the scheme would *bear hard* upon persons burdened with large families and under other particular circumstances, there would be a surplus of more than three millions to give all such persons sufficient relief upon their appeal, by way of modification and abatement.

These are the principal objections I at present see against this scheme of revenue formed upon the Clear Income: and to the other, founded on the Assessed Taxes, I can also see particular objections. But with all the difficulties and objections that hang about it, if the former, which meets the necessity in so bold, so open and so complete a way, were proposed

by the minister, I should not wonder if it met with more general approbation, more unanimous support, and more popular favour, than the latter, however ingeniously and delicately contrived. It is not half-a-measure; it is a whole-measure adequate to the occasion, capable of being extended to the extent of the difficulty and of the danger; till the malevolence of the enemy be vanquished or rendered harmless; till the epidemical phrenzy of the day has subsided; till the democratic fury of the present age has subdued itself; and till St. George has slain the Dragon: for, Sir, to such a portentous size is the turbulent spirit grown, that it may not be one year, or even two, that may lay him to rest.

To balance some of the difficulties and objections which beset the plan I have been emboldened to delineate in this letter, there are two specific advantages, which would attend it, of no small consideration.—It would reach effectually “the hordes
“of the penurious,” which no plan of contribution will ever do, and which the scheme of the Assessed Taxes cannot reach; but which should be plentifully opened at this time, as it is the only advantage they will ever render to the community.—And, what is of much greater consequence in the event, it will put a seasonable and wholesome check upon the “expenditure of extravagance and prodigality;” which, I believe in my soul, if any thing can, will save the country. In the present age,
extra-

extravagance and prodigality in the higher ranks of life and fortune, with the train of vices which they draw after them, ignorance, effeminacy, licentiousness, and dissipation, true infamy and false honour, have sunk the fairest part of the British character into a nothingness and insignificance; which has been a prevalent cause that Jacobinism and Democracy have dared to raise their head. To retrieve and to restore that ancient character, frugality and economy, in the higher ranks of the community, should be the order of the day. A tax upon the income would be the means of introducing frugality and economy, with all their attendant virtues, into the nation, and of making them the fashion of the day: for how much more honourable, in a political and moral view, to convert the overplus of private fortune, above providing the necessaries and conveniences of life according to the station, to the protection and salvation of the country, than to waste it in idle extravagance and prodigality? Instead of idleness, nothingness, and dissipation, the rising age would improve in useful knowledge, in consequence, in principles, and in manners; and be led, through habits of industry and study, to the practice of generous and manly virtues.

But here, let me recollect, I am a politician, not a moralist. If the scheme of raising such a temporary supply upon the Clear Income of the people were once successfully adopted; it is this that
“ would give vigour to our operations, and lower

“the arrogant pretensions of the enemy ;” it is this that would “exalt the credit of this country, and depress that of France :” it is this that would “check the haughty and overbearing tone of an insolent adversary, and confirm the well grounded confidence of our hopes :” —It would tell our enemies, that their views of conquering us, by distressing and ruining our revenues, are false and visionary. It would tell our enemies, that we are able, and it would prove to them that we are resolved, to maintain the contest, furious as they may make it, till that fury has exhausted itself upon themselves. It would tell our enemies, that, instead of enervating the persons, and draining the resources of a brave and opulent people, such a revenue raised, in such a way and at such a time, will give vigour to the one, and relief to the other. In a word, it would tell our enemies, that the British Lion is in full strength and courage, prepared to devour the Dragon in the Tiger.

Should any one take alarm at the unprecedented boldness, novelty, and largeness of the measure, I answer that alarm by saying, that the measure is warranted in prudence, and justified in policy, by the measures of the enemy, which it is intended to oppose and to defeat.

In the present crisis, that uncommon exertions and uncommon sacrifices must be made, to enable us to prosecute the war, in order to secure those
valuable

valuable objects which we reasonably desire, has been solemnly and manfully resolved. And what the extent of these exertions and sacrifices should be, we may best learn from the uncommon exertions and sacrifices that have been made, and are now making, by the enemy : for if your antagonist will not fight you in a fair and manly way with the common weapons, but will take a pitch-fork or sledge-hammer ; in your own defence, and that you may not be inevitably destroyed, you must take a pitch-fork or sledge-hammer too. This is a vulgar analogy : but my object is not to write finely, but to speak plainly.

To prove to the plainest and most common sense the absolute necessity which at this time exists of some new plan or method of finance, as a temporary addition to the ordinary provision of annual supply, in order to enable this country to resist our enemies, with a fair prospect of warding off the danger that threatens us, and the horrid consequences that would ensue upon our ill success ; and to shew, at the same time, how small our exertions and sacrifices, if the scheme herein proposed however rigidly executed, would be, when compared with the exertions and sacrifices which have been made and are making against us ; it will be enough barely to enumerate the extraordinary means which our enemies, by the most arbitrary and tyrannical conduct, have employed to destroy the government and happiness of other powers in Europe, and which they are continuing to employ
to

to destroy the government and happiness of Great Britain.

The whole of the vast royalties and domains belonging to the crown of France through all the provinces of that extensive kingdom, and all its other riches, which were immense—The whole of the property of the Gallican church, which was immense—All the wealth and estates of the convents and religious houses, which were immense—All the fortunes and estates of the noblesse, which were immense—The whole of the property of all the emigrants, real and personal, which must have been enormous; in addition to the vast public revenues of that vast kingdom—have been all seized and sold without a ceremony, to maintain the war of liberty and equality, which, in the superabundance of its freedom, put in irresistible requisition, and continues to do so, every man and every thing it wants.

And, when all these resources and revenues, which, in a well constituted government, would have maintained a war for fifty years, were spent, the only resource remaining for the support of their vast armies was, the property of feeble states which these armies were sent to plunder, or that of faithless and infatuated kingdoms, which they extorted by contributions, under the semblance of peace, or under the coveted grasp of the fraternal embrace. The same kind of peace, and the same sort of fraternal embrace, the same Republic, with the same views,

views, might have been willing to offer to Great Britain. Perhaps my opinion upon the subject may be different from that of many : but from the fundamental principles of the French Republic, and from the experienced routine of its whole conduct, in my mind, it is happy and fortunate for this country that the negociation failed : for if our property is to be plundered, if our laws are to be abolished, if our constitution is to be subverted, if our liberties are to be sacrificed, if our innocence is to be polluted, and our beauty violated, let us see all this done with our swords in our hands, that we may at least wreak our last vengeance upon the ravishers, rather than submit to the mortification of looking on all the while, with our hands tied upon our backs either by an insidious peace, or the fraternal embrace.

And now, Sir, let us state the comparison between the exertions and sacrifices actually made by France, with those that would be made by Britain, provided the scheme proposed in the latter should be adopted—France has taken the *Principal* for ever—Britain only one fourth of the *Income* for a time.

Having plundered and spent all upon the continent, the Republic threatens, with an open and avowed intent, to pour its armies in a descent upon these sister islands, as its last resource : and we must prepare to receive them as they deserve.

The contest is, therefore, totally unlike all others in which this nation ever was engaged : and we maintain it for a different end—for our existence

as

as a state. And though we do this to avoid imitating France, and being plunged into all its anarchy and misery : to do this with success we are obliged, in some degree, to follow her example, in raising new and extraordinary supplies, though in a different and legal way ; for the issue of the contest may probably turn in favour of that power, which, by its revenue, can hold out the longest. If this country can find the means of carrying on the war with spirit, the contest will not, I hope, be of long continuance : for the consequence will be, that the immense armies of France, having nothing left to plunder on the continent, and not being able to get safely over the British Channel, will lie a dead weight upon itself, without supplies from the Directory, and will soon begin to supply themselves at home ; which will either produce a monarchy, or else break the present domination, with its confederacies, into twenty parts.

To every new scheme of finance, constructed upon whatever principle, and conducted by whatever plan, difficulties will oppose themselves, which the address of the financier should overcome.

And the greatest difficulty under which he labours in raising a vast sum for immediate use, is *the want of money* ; a political evil, of which I have before complained, as affecting in many ways the prosperity of this nation ; and of which I must now more particularly complain, as it is the only bar against the successful prosecution of a war the most important

portant in its event of all other wars. Remove this difficulty, Sir, in act or in effect, and you may "tell your enemies" what you will.

And, Sir, as a recommendation of the scheme I have chalked out, permit me, before I conclude, to observe, that if it can be put in practice, it will furnish you with a direct expedient, which, if applied to the purpose for which it is admirably calculated, and in which it will produce the greatest advantage, will soon supply the nation with money, or its equivalent in currency, in sufficient abundance. By raising sixteen millions out of the clear income of the nation, the *Sinking Fund*, which you may fairly boast, and in which I also exult, though with a different view, whose credit is coexistent and coextensive with the British nation, may be kept inviolate, and, with its accumulations from year to year, erected into the firm of a *Public Bank*. Of the four millions which will arise from the sinking fund this year, let two be coined into money, if bullion can possibly be procured, and the other two be issued in national paper: and as the fund accumulates, both the money and the paper may be increased. Beside facilitating the new scheme of finance, whatever it may be, and beside accommodating the public various ways, the profits springing from such a Bank would swell the accumulations of the sinking fund into so full a tide, that fair hopes might then be entertained of its operation in times of peace, towards a proper reduction of the public debt, which of late has much too rapidly

pidly increased ; but which no wise politician will ever wish to see totally extinguished.

I was an advocate also in my second Letter for a *National Insurance*, of the great utility and advantage of which, both in a public and private view, I am more and more convinced.

Were these great expedients adopted, and made as productive as they ought, the Minister would not be under the necessity of perpetually seeking pecuniary aids from the Bank of England. And, instead of encountering difficulty and apprehending danger, at a time the British nation is in a state of opulence and prosperity unexampled in the world, while her enemies on every side are consumed with poverty and distress, if her opulence and resources were put under a system of the best economy, he might be able to defeat all difficulty, and to laugh in the face of danger.

I am aware, all the while I write, that great schemes and efficient measures are more easily framed than put in execution. The time, however, to try, is when necessity calls for them. And I am well assured, that the proposal of such schemes and measures, with whatever political ability they may be framed, are liable to be censured and condemned, because they are not those which Ministers adopt : at the same time that I sincerely rejoice to see the public opinion lean so favourably to the side of Ministers, and their measures ; though
I may

I may not be the less convinced of the advantage of others, if they were well adopted.

And, Sir, upon the whole, I most sincerely rejoice, that the unparalleled insolence, the arrogant claims, and the bullying threats of the enemy, have had the happiest effect upon this country, by uniting the hearts of all ranks and descriptions of the people in the pride of abhorrence, and by disposing them to open their hands with cheerfulness in defence of the constitution, the property and honour of an insulted nation. And, Sir, I sanguinely hope, that it is a glory reserved by Providence for this favoured island, that it is destined, by the continuation of the war, to stop the ravages of an infernal philosophy, which has laid in heaps of ruin great and ancient kingdoms; that it is destined to preserve its Religion and political Constitution amidst the wreck of nations, sacred and inviolate; and (the hope is not uncharitable) that it is destined to be the tutelary angel of true liberty in all future time, and to remain the lasting cause of restoring Government and Religion to those ill-fated countries, which invited us to the war, but are now compelled to become our enemies.

We see the whole Nation in the persons of its Representatives rallying round the Throne, to support it with one heart and one soul: and we hear that Throne reply—*Let it be done.* After this solemn convention and mutual pledge, what should not be done!

EDWARD TATHAM.

From the Rectory
of Lincoln College,
Dec. 9, 1797.



